



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

5/047/065

IN REPLY REFER TO
3504
U-0115850 et al
(UT-932)

JUL 22 1997

CERTIFIED MAIL--Return Receipt Requested

DECISION

Principal/Obligor

Ziegler Chemical & Mineral Corporation
100 Jericho Quadrangle, Suite 140
Jericho, New York 11753

: Gilsonite Lease U-0122694
: BLM Bond No.:
: Bond Type and Amount:
: \$5,000 Treasury

TOM TAYLOR MINE

Surety:

Frontier Insurance Company
195 Lake Louise Marie Road
Rock Hill, New York 12775-8000

: Gilsonite Leases U-0115850,
: U-0122693, U-0122694,
: U-0124568, U-0126939, and
: UTU-76312 (Fringe Acreage)
: Surety Bond No. 105812
: Bond Amount: \$47,000

Additional Bond Amount Required

In accordance with 43 CFR 3504.1-6, the bond amount may be increased when additional coverage is determined appropriate. The Utah State Office is recommending that the amount of your current \$47,000 Statewide Surety Bond and the \$5,000 Treasury Bond be consolidated into one Statewide Bond in the amount of \$132,000.00.

The bond increase is based on the following information:

1. Rent @ \$3.00 per acre = \$4,760.00
2. Royalty @ \$74,250.00
3. Reclamation @ \$52,218.54

A bond calculation summary has been enclosed for your records.

Bond information and the current bond forms are enclosed for your use. If you do not agree with the recommended bond amount, you must submit written justification to this office. You are allowed 60 days from receipt of this notice in which to comply. An extension of time may be granted if your request is submitted in writing within the 60 day compliance period.

/s/ ROBERT LOPEZ

Robert Lopez
Group Leader
Minerals Adjudication Group

Enclosures

Bond Summary Sheet
Bond Forms

cc: Ziegler Chemical and Mineral Corporation, Attn: Norm Haslem, Star Route,
Vernal, Utah 84078

bc: Utah Division of Oil Gas, & Mining, Attn: Tony Gallegos, 1594 West North
Temple, Suite 1212, SLC, Utah 84114-5801

Vernal Field Office, Attn: Howard Cleavinger

CSeare:cs (07/20/97) Zieglerbond